

February 10, 2009

Honorable Judge Robert D. Drain,
United States Bankruptcy Court for the Southern District of New York
One Bowling Green, New York, NY 10004-1408
Debtors: Delphi Corp., Case Number: 05-44481
Attn: Dorothy Li (212) 668 2301

Subject: Delphi Motion to Renege Salaried Retiree Healthcare and Insurance in Bankruptcy Case 05-44481

Honorable Judge Robert D. Drain,

I am a Delphi salaried retiree who contests Delphi Corporation's February 4 motion to terminate its healthcare and life insurance obligations for salaried retirees. This motion adds insult to injury for thousands of loyal salaried workers like myself who dedicated our careers to Delphi, only to be involuntarily discarded in recent months, and now trampled on by the motion to renege on their commitments such as healthcare and insurance.

Once again Delphi is squeezing salaried employees just because they can, since we are not contractually protected from inequities like our UAW hourly colleagues. For example:

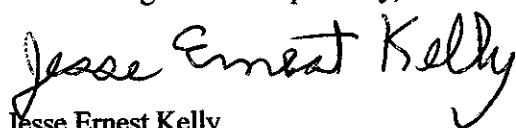
- 1) When Delphi was spun off from GM in 1999, salaried employees received no flowback guarantees like hourly employees.
- 2) Salaried employees paid progressively more healthcare costs versus hourly, (for me, \$157/mo plus ever escalating co-pay).
- 3) Salaried pay depended on variable financial performance and merit fund, while hourly got fixed raises, cost of living, etc.
- 4) Hourly employees were offered voluntary buyouts or GM jobs, but salaried employees got only involuntary separations.
- 5) Hourly retiree pension obligations assumed by GM, while Delphi salaried pensions are underfunded and at risk of default.
- 6) Salaried retiree healthcare and insurance to be cancelled, while hourly retiree benefits are unchanged.

Delphi's reputation was already tarnished by its accounting scandal, heavy-handed bankruptcy tactics, and manufacturing exodus to Mexico and China. Their recent salaried separation methods were discriminatory, as I noted in EEOC incident 080921-0900029 I submitted Sep 21 2008. I was unfairly targeted for separation, based on my age and salary, compared to less qualified colleagues who were retained. However, I didn't pursue the litigation due to risk of losing severance pay if Delphi won the suit. So I involuntarily "retired" on November 28, assuming my future was secured by the pension and healthcare benefits I had diligently earned in my 38 years of service. But now that Delphi finds it inconvenient to support the loyal retirees who supported them, they give us <2 months notice that they are renegeing on their benefit obligations.

I understand that Delphi, GM, the auto industry, and the global economy are under dire financial stress. At the very least, the following compromise options should be considered to protect retiree benefits:

- 1) Delphi to honor through Dec 31, 2009 their "Options 2009" benefits contracts signed with employees in Nov. 2008.
- 2) Delphi to reinstate retiree benefits upon emergence from bankruptcy.
- 3) Renegotiate benefits with all active and retired employees for equitable absorption of \$70M/yr salaried retiree costs.
- 4) Flowback salaried retiree benefits to GM (considering to buy back Delphi plants per Indy Star 2/10/09).
- 5) GM federal bailout funds to be applied to fund Delphi retiree benefit obligations.

Please consider the inequity of Delphi's treatment of salaried employees and deny Delphi's motion to abandon its retiree benefit obligations. Respectfully,



Jesse Ernest Kelly
1504 E. Southway Blvd
Kokomo, Indiana 46902
765-453-2498
jerniekelly@aol.com